

MINISTRY OF FINANCE
(Department of Revenue)
(CENTRAL BOARD OF DIRECT TAXES)

NOTIFICATION

New Delhi, the 22nd May, 2023

INCOME-TAX

G.S.R. 379(E).—In exercise of the powers conferred by section 295 read with section 115BBJ, section 194BA, sub-section (3) of section 200 and proviso to sub-section (3) of section 206C of the Income-tax Act 1961 (hereinafter referred to as ‘Act’), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:—

1. Short title and commencement.— (1) These rules may be called the Income-tax (Fifth Amendment) Rules, 2023.

(2) Save as otherwise provided, they shall come into force from date of their publication in the Official Gazette.

2. In the Income-tax Rules, 1962 (hereinafter referred to as the principal rules), in rule 31A, in sub-rule(4) with effect from 1st July 2023,—

(a) for clause (ix), the following clause shall be substituted namely:-

“(ix) furnish particulars of amount paid or credited on which tax was not deducted or deducted at lower rate in view of the notification issued under second proviso to section 194N or in view of the exemption provided in fourth proviso to section 194N or in view of the notification issued under fifth proviso to section 194N;”;

(b) in clause (xvii), after sub-clause (a), the following sub-clause shall be inserted, namely:-

“(aa) winnings in terms of sub-section (2) of section 194BA;”.

3. In the principal rules, after rule 132, the following rule shall be inserted, namely:—

“133. (1) Net winnings from online games during the previous year, for the purposes of section 115BBJ, shall be calculated using the following formula, namely:—

Net winnings = $(A+D)-(B+C)$, where –

A = Aggregate amount withdrawn from the user account during the financial year;

B = Aggregate amount of non-taxable deposit made in the user account by the assessee during the financial year;

C = Opening balance of the user account at the beginning of the financial year; and

D= Closing balance of the user account at the end of the financial year.

(2) Net winnings comprised in the first withdrawal during the financial year, for the purposes of section 194BA, shall be calculated using the following formula, namely:—

Net winnings = $A-(B+C)$, where –

A = Amount withdrawn from the user account;

B = Aggregate amount of non-taxable deposit made in the user account by the owner of such account during the financial year, till the time of such withdrawal; and

C = Opening balance of the user account at the beginning of the financial year.

(3) Net winnings in the formula given in sub-rule (2) shall be zero, if the sum of amounts B and C is equal to or greater than the amount A.

(4) Net winnings comprised in each subsequent withdrawal during the financial year, for the purposes of section 194BA, shall be calculated using the following formula, namely:—

Net winnings = $A-(B+C+E)$, where –

A = Aggregate amount withdrawn from the user account during the financial year till the time of subsequent withdrawal including the amount of such subsequent withdrawal;

B = Aggregate amount of non-taxable deposit made in the user account by the owner of such account during the financial year, till the time of such subsequent withdrawal;

C = Opening balance of the user account at the beginning of the financial year; and

E= Net winnings comprised in the earlier withdrawal or withdrawals computed under sub-rule (2), or under this sub-rule, during the financial year till the time of subsequent withdrawal if tax has been deducted in accordance with the provision of section 194BA on winnings comprised in such withdrawal or withdrawals.

(5) Net winnings in the formula given in sub-rule (4) shall be zero, if the sum of amounts B, C and E is equal to or greater than the amount A.

(6) Net winnings comprised in the user account at the end of the financial year, for the purposes of section 194BA, shall be calculated using the following formula, namely:—

Net winnings =(A+D)-(B+C+E), where –

A = Aggregate amount withdrawn from the user account during the financial year;

B = Aggregate amount of non-taxable deposit made in the user account by the owner of such account during the financial year;

C = Opening balance of the user account at the beginning of the financial year;

D= Closing balance of the user account at the end of the financial year; and

E= Net winnings comprised in the earlier withdrawal or withdrawals computed under sub-rule (2), or sub-rule (4), during the financial year if tax has been deducted in accordance with the provision of section 194BA on winnings comprised in such withdrawal or withdrawals.

(7) Net winnings in the formula given in sub-rule (6) shall be zero, if the sum of amounts B, C and E is equal to or greater than the sum of amount A and D.

Explanation 1.— For the purposes of this rule –

- (a) “non-taxable deposit” means the amount deposited by the user in his user account and which is not taxable;
- (b) “taxable deposit” means any amount deposited in the user account which is not a non-taxable deposit and includes any amount paid directly to the user not through the user account; and
- (c) “withdrawal” means any amount withdrawn by the user from any user account.

Explanation 2.— For the removal of doubts, it is hereby clarified that –

- (a) user account shall include every account of user, by whatever name called, which is registered with the online gaming intermediary and where any taxable deposit, non-taxable deposit or the winnings made by the user is credited and withdrawal by the user is debited;
- (b) whenever there is payment to the user in kind or in cash, or partly in kind and partly in cash, which is not from the user account, the provisions of this rule shall apply to calculate net winnings by deeming that the money equivalent to such payment has been deposited as taxable deposit in the user account and the equivalent amount has been withdrawn from the user account at the same time and shall accordingly be included in amount A;
- (c) whenever there are multiple user accounts of the same user, each user account shall be considered for the purposes of calculating net winnings and the deposit, withdrawal or balance in the user account shall mean aggregate of deposit, withdrawal or balance in all user accounts;
- (d) whenever there are multiple user accounts of the same user, transfer from one user account to another user account, maintained with the same online gaming intermediary, of the same user shall not be considered as withdrawal or deposit, as the case may be, for the purposes of deducting tax under section 194BA;
- (e) whenever there is taxable deposit in the form of bonus, referral bonus, incentives, promotional money, discount by whatever name called; and such deposit can only be used for playing the online games and not for withdrawal or any other purposes, such deposit shall be ignored for the purposes of calculation of net winnings and shall not be included in amount B or amount C or amount D; and
- (f) whenever any bonus, referral bonus, incentives, promotional money, discount, by whatever name called, is not considered as part of amount B or amount C or amount D under clause (e) and subsequently they are recharacterised and allowed to be withdrawn, they shall be deemed as taxable deposit at the time of such recharacterisation and it shall be deemed that the equivalent amount has been deposited in the user account at that time.”.

4. In the principal rules, in Appendix II,—

(a) for Form No. 16 the following form shall be substituted with effect from 1st July 2023 and shall be applicable for the assessment year 2024-25 and subsequent assessment years, namely:—

“FORM NO. 16

[See rule 31(1)(a)]

PART A

Certificate under section 203 of the Income-tax Act, 1961 for tax deducted at source on salary paid to an employee under section 192 or pension or interest income of specified senior citizen under section 194P.

Certificate No.		Last updated on	
Name and address of the Employer/Specified Bank		Name and address of the Employee/ Specified senior citizen	
PAN of the Deductor	TAN of the Deductor	PAN of the Employee/specify senior citizen	Employee Reference No./ Pension Payment order No. provided by the Employer (If available)
CIT (TDS) Address..... City..... Pin Code		Assessment Year	Period with the Employer From To

Summary of amount paid/credited and tax deducted at source thereon in respect of the employee

Quarter(s)	Receipt Numbers of original quarterly statement of TDS under sub section (3) of section 200	Amount paid/credited	Amount of tax deducted (Rs.)	Amount of tax deposited/ remitted (Rs.)
Total (Rs.)				

I. DETAILS OF TAX DEDUCTED AND DEPOSITED IN THE CENTRAL

GOVERNMENT ACCOUNT THROUGH BOOK ADJUSTMENT

(The deductor to provide payment wise details of tax deducted and deposited with respect to the deductee)

Sl. No.	Tax Deposited in respect of the deductee (Rs.)	Book Identification Number (BIN)			
		Receipt numbers of Form No. 24G	DDO serial number in Form No. 24G	Date of transfer voucher dd/mm/yyyy	Status of matching with Form No. 24G
Total (Rs.)					

**II. DETAILS OF TAX DEDUCTED AND DEPOSITED IN THE CENTRAL GOVERNMENT ACCOUNT
THROUGH CHALLAN**

(The deductor to provide payment wise details of tax deducted and deposited with respect to the deductee)

Sl. No.	Tax Deposited in respect of the deductee (Rs.)	Challan Identification Number (CIN)			
		BSR Code of the Bank Branch	Date on which tax deposited (dd/mm/yyyy)	Challan Serial Number	Status of matching With OLTAS
Total (Rs.)					

Verification

I,....., son/daughter of working in the capacity of(designation) do hereby certify that a sum of Rs.....[Rs.....(in words)] has been deducted and deposited to the credit of the Central Government. I further certify that the information given above is true, complete and correct and is based on the books of account, documents, TDS statements, TDS deposited and other available records.

Place.....	
Date.....	(Signature of person responsible for deduction of tax)
Designation:	Full Name:

[PART B (Annexure-I)]

In relation to employees for tax deduction under section 192

Details of salary paid and any other income and tax deducted

A	Whether opting out of taxation u/s 115BAC(1A)?	[YES/NO]	
1.	Gross Salary		
(a)	Salary as per provisions contained in section 17(1)	Rs. ...	
(b)	Value of perquisites under section 17(2) (as per Form No. 12BA, wherever applicable)	Rs. ...	
(c)	Profits in lieu of salary under section 17(3) (as per Form No. 12BA, wherever applicable)	Rs. ...	
(d)	Total		Rs. ...
(e)	Reported total amount of salary received from other employer(s)	Rs. ...	
2.	<i>Less:</i> Allowances to the extent exempt under section 10		
(a)	Travel concession or assistance under section 10(5)	Rs. ...	
(b)	Death-cum-retirement gratuity under section 10(10)	Rs. ...	
(c)	Commuted value of pension under section 10(10A)	Rs. ...	
(d)	Cash equivalent of leave salary encashment under section 10(10AA)	Rs. ...	
(e)	House rent allowance under section 10(13A)	Rs. ...	
(f)	Other special allowances under section 10(14)	Rs. ...	
(g)	Amount of any other exemption under section 10		

	clause ...	Rs. ...		
	clause ...	Rs. ...		
	clause ...	Rs. ...		
	clause ...	Rs. ...		
	clause ...	Rs. ...		
	...	Rs. ...		
(h)	Total amount of any other exemption under section 10		Rs. ...	
(i)	Total amount of exemption claimed under section 10			Rs. ...
	[2(a)+2(b)+2(c)+2(d)+2(e)+2(f)+2(h)]			
3.	Total amount of salary received from current employer			Rs. ...
	[1(d)-2(i)]			
4.	Less: Deductions under section 16			
(a)	Standard deduction under section 16(ia)		Rs. ...	
(b)	Entertainment allowance under section 16(ii)		Rs. ...	
(c)	Tax on employment under section 16(iii)		Rs. ...	
5.	Total amount of deductions under section 16			Rs. ...
	[4(a)+4(b)+4(c)]			
6.	Income chargeable under the head "Salaries" [(3+1(e)-5]			Rs. ...
7.	Add: Any other income reported by the employee under as per section 192 (2B)			
(a)	Income (or admissible loss) from house property reported by employee offered for TDS		Rs. ...	
(b)	Income under the head other sources offered for TDS		Rs. ...	
8.	Total amount of other income reported by the employee			Rs. ...
	[7(a)+7(b)]			
9.	Gross total income (6+8)			Rs. ...
10.	Deductions under Chapter VI-A			
			Gross	Deductible Amount
			Amount	
(a)	Deduction in respect of life insurance premia, contributions to provident fund etc. under section 80C		Rs. ...	Rs. ...
(b)	Deduction in respect of contribution to certain pension funds under section 80CCC		Rs. ...	Rs. ...
(c)	Deduction in respect of contribution by taxpayer to pension scheme under section 80CCD (1)		Rs. ...	Rs. ...
(d)	Total deduction under section 80C, 80CCC and 80CCD(1)		Rs. ...	Rs. ...
(e)	Deductions in respect of amount paid/deposited to notified pension scheme under section 80CCD (1B)		Rs. ...	Rs. ...
(f)	Deduction in respect of contribution by Employer to pension scheme under section 80CCD (2)		Rs. ...	Rs. ...
(g)	Deduction in respect of health insurance premia under section 80D		Rs. ...	Rs. ...
(h)	Deduction in respect of interest on loan taken for higher education under section 80E		Rs. ...	Rs. ...
(i)	Deduction in respect of contribution by the employee to Agnipath Scheme under section 80CCH		Rs. ...	Rs. ...
(j)	Deduction in respect of contribution by the Central Government to Agnipath Scheme under section 80CCH		Rs. ...	Rs. ...

		Gross Amount	Qualifying Amount	Deductible Amount
(k)	Total Deduction in respect of donations to certain funds, charitable institutions, etc. under section 80G	Rs. ...	Rs. ...	Rs. ...
(l)	Deduction in respect of interest on deposits in savings account under section 80TTA	Rs. ...	Rs. ...	Rs. ...
(m)	Amount deductible under any other provision(s) of Chapter VI-A			
	section ...	Rs. ...	Rs. ...	Rs. ...
	section ...	Rs. ...	Rs. ...	Rs. ...
	section ...	Rs. ...	Rs. ...	Rs. ...
	section ...	Rs. ...	Rs. ...	Rs. ...
	section ...	Rs. ...	Rs. ...	Rs. ...
	section ...	Rs. ...	Rs. ...	Rs. ...
	...	Rs. ...	Rs. ...	Rs. ...
(n)	Total of amount deductible under any other provision(s) of Chapter VI-A	Rs. ...	Rs. ...	Rs. ...
11.	Aggregate of deductible amount under Chapter VI-A [10(d)+10(e)+10(f)+10(g)+10(h)+ 10(i)+10(j) +10(k) +10(l) +10(n)]			Rs. ...
12.	Total taxable income (9-11)			Rs. ...
13.	Tax on total income			Rs. ...
14.	Rebate under section 87A, if applicable			Rs. ...
15.	Surcharge, wherever applicable			Rs. ...
16.	Health and education cess @ 4%			Rs. ...
17.	Tax payable (13+15+16-14)			Rs. ...
18.	Less: Relief under section 89 (attach details)			Rs. ...
19.	Net tax payable (17-18)			Rs. ...

Verification

I, son/daughter of working in the capacity of (designation) do hereby certify that the information given above is true, complete and correct and is based on the books of account, documents, TDS statements, and other available records

Place.....
Date.....

(Signature of person responsible for deduction of tax)
Full Name :

Annexure II

In relation to specified senior citizen for tax deduction under section 194P

A	Whether opting out of taxation u/s 115BAC(1A)?	[YES/NO]	
1.	Gross Salary		
(a)	Pension as per provisions contained in clause (ii) of section 17(1)		Rs. ...
2.	Total amount of salary received		Rs. ...
3.	Less: Deductions under section 16		
(a)	Standard deduction under section 16(ia)		Rs....
(b)	Tax on employment under section 16(iii)		Rs. ...
4.	Total amount of deductions under section 16 [3(a)+3(b)]		Rs. ...
5.	Income chargeable under the head "Salaries" [(2-4]		Rs. ...

6.	Interest Income under the head “Other Sources” paid by the specified bank		Rs. ...	
7.	Gross total income (5+6)			Rs. ...
8.	Deductions under Chapter VI-A			
			Gross Amount	Deductible Amount
(a)	Deduction in respect of life insurance premia, contributions to provident fund etc. under section 80C		Rs. ...	Rs. ...
(b)	Deduction in respect of contribution to certain pension funds under section 80CCC		Rs. ...	Rs. ...
(c)	Deduction in respect of contribution by taxpayer to pension scheme under section 80CCD(1)		Rs. ...	Rs. ...
(d)	Total deduction under section 80C, 80CCC and 80CCD (1)		Rs. ...	Rs. ...
(e)	Deductions in respect of amount paid/deposited to notified pension scheme under section 80CCD (1B)		Rs. ...	Rs. ...
(f)	Deduction in respect of health insurance premia under section 80D		Rs. ...	Rs. ...
(g)	Deduction in respect of interest on loan taken for higher education under section 80E		Rs. ...	Rs. ...
		Gross Amount	Qualifying Amount	Deductible Amount
(h)	Total Deduction in respect of donations to certain funds, charitable institutions, etc. under section 80G	Rs. ...	Rs. ...	Rs. ...
(i)	Deduction in respect of interest on deposits in savings account under section 80TTB	Rs. ...	Rs. ...	Rs. ...
(j)	Amount deductible under any other provision(s) of Chapter VI-A			
	section ...	Rs. ...	Rs. ...	Rs. ...
	section ...	Rs. ...	Rs. ...	Rs. ...
	section ...	Rs. ...	Rs. ...	Rs. ...
	section ...	Rs. ...	Rs. ...	Rs. ...
	section ...	Rs. ...	Rs. ...	Rs. ...
	section ...	Rs. ...	Rs. ...	Rs. ...
	...	Rs. ...	Rs. ...	Rs. ...
(k)	Total of amount deductible under any other provision(s) of Chapter VI-A	Rs. ...	Rs. ...	Rs. ...
9.	Aggregate of deductible amount under Chapter VI-A [8(d)+8(e)+8(f)+8(g)+8(h)+8(i)+8(k)]			Rs. ...
10.	Total taxable income (7-9)			Rs. ...
11.	Tax on total income			Rs. ...
12.	Rebate under section 87A, if applicable			Rs. ...
13.	Surcharge, wherever applicable			Rs. ...
14.	Health and education cess			Rs. ...
15.	Tax payable (11+13+14-12)			Rs. ...
16.	Less: Relief under section 89 (attach details)			Rs. ...
17.	Net tax payable (16-17)			Rs. ...

Verification	
I, son/daughter of working in the capacity of (designation) do hereby certify that the information given above is true, complete and correct and is based on the books of account, documents, TDS statements, and other available records.	
Place.....	(Signature of person responsible for deduction of tax)
Date.....	Full Name :

Notes:

1. Government deductors to fill information in item I of Part A if tax is paid without production of an income-tax challan and in item II of Part A if tax is paid accompanied by an income-tax challan.
2. Non-Government deductors to fill information in item II of Part A.
3. The deductor shall furnish the address of the Commissioner of Income-tax (TDS) having jurisdiction as regards TDS statements of the assessee.
4. If an assessee is employed under one employer only during the year, certificate in Form No. 16 issued for the quarter ending on 31st March of the financial year shall contain the details of tax deducted and deposited for all the quarters of the financial year.
5. (i) If an assessee is employed under more than one employer during the year, each of the employers shall issue Part A of the certificate in Form No. 16 pertaining to the period for which such assessee was employed with each of the employers.
 - (ii) Part B (Annexure-I) of the certificate in Form No.16 may be issued by each of the employers or the last employer at the option of the assessee.
 - (iii) Part B (Annexure-II) of the certificate in Form 16 may be issued by the specified bank to a specified senior citizen.
6. In Part A, in items I and II, in the column for tax deposited in respect of deductee, furnish total amount of tax, surcharge and health and education cess.
7. Deductor shall duly fill details, where available, in item numbers 2(f) and 10(k) before furnishing of Part B (Annexure-I) to the employee.”.

(b) in form 24Q, with effect from 1st July, 2023,—

(i) in serial number 4, in the table, in column No. 4, for the words "Education Cess", the words "Health and Education Cess" shall be substituted;

(ii) in Annexure I, in the table before "Verification", in column No. 11, for the words "Education Cess", the words, "Health and Education Cess" shall be substituted;

(iii) for "Annexure II", the following "Annexure II" shall be substituted, namely:—

Deduction in respect of amount paid or deposited under notified pension scheme under section 80CCD(1B).	Deduction in respect of contribution by employer to notified pension scheme under section 80CCD(2).	Deduction in respect of contribution by the employee to Agnipath Scheme under section 80CCH	Deduction in respect of contribution by the Central Government to Agnipath Scheme under section 80CCH	Deduction in respect of health insurance premia under section 80D.	Deduction in respect of interest on loan taken for higher education under section 80E.	Total deduction in respect of donations to certain funds, charitable institutions, etc. under section 80G.	Deduction in respect of interest on deposits in savings account under section 80TTA.	Amount deductible under any other provision (s) of Chapter VI-A.	Total amount deductible under Chapter VI-A [357+359+361 (limited to Rs. 1,50,000) +363 +364B + 365B +366B+ 367B +369 +372 +375 +378].
Gross amount	Deductible amount	Gross amount	Deductible amount	Gross amount	Deductible amount	Gross amount	Deductible amount	Gross amount	Deductible amount
(362)	(363)	(364A)	(364B)	(365A)	(365B)	(366A)	(366B)	(367A)	(367B)

Total taxable income (355-379).	Income-tax on total income.	Rebate under section 87A, if applicable.	Surcharge, wherever applicable.	Health and education cess.	Income-tax relief under section 89, when salary, etc. is paid in arrear or advance.	Net tax liability [381+383+384-(382+385)].	Total amount of tax deducted at source by the current employer for the whole year [aggregate of the amount in columns 325 of Annexure I for all the quarters in respect of each employee].	Reported amount of tax deducted at source by other employer(s) or deductor(s) (income in respect of which included in computing total taxable income in column 339).	Total amount of tax deducted at source for the whole year (387+388).	Shortfall in tax deduction (+) or excess tax deduction (-) (386-389).
(380)	(381)	(382)	(383)	(384)	(385)	(386)	(387)	(388)	(389)	(390)

Notes:

1. Salary includes wages, annuity, pension, gratuity (other than exempted under section 10(10), fees, commission, bonus, repayment of amount deposited under the Additional Emoluments (Compulsory Deposit) Act, 1974 (37 of 1974), perquisites, profits in lieu of or in addition to any salary or wages including payments made at or in connection with termination of employment, advance of salary, any payment received in respect of any period of leave not availed (other than exempted under section 10 (10AA), any annual accretion to the balance of the account in a recognised provident fund chargeable to tax in accordance with rule 6 of Part A of the Fourth Schedule of the Income-tax Act, 1961, any sums deemed to be income received by the employee in accordance with sub-rule (4) of rule 11 of Part A of the Fourth Schedule of the Income-tax Act, 1961, any contribution made by the Central Government to the account of the employee under a pension scheme referred to in section 80CCD or any other sums chargeable to income-tax under the head 'Salaries'.
2. Where an employer deducts from the emoluments paid to an employee or pays on his behalf any contributions of that employee to any approved superannuation fund, all such deductions or payments should be included in the statement.
3. Permanent account number of landlord shall be mandatorily furnished where the aggregate rent paid during the previous year exceeds one lakh rupees.
4. Permanent account number of lender shall be mandatorily furnished where the housing loan, on which interest is paid, is taken from a person other than a Financial Institution or the Employer.”;

(iv) in Annexure III, in the fifth column of the first table, for the words “Whether opting for taxation u/s 115BAC [Yes/No]”, the words “Whether opting out of taxation u/s 115BAC(1A) [Yes/No]” shall be substituted;

(c) in form 26Q, with effect from 1st July, 2023,—

(i) for the brackets, words, figures and letters “[See sections 192A, 193, 194, 194A, 194B, 194BB, 194C, 194D, 194DA, 194EE, 194F, 194G, 194H, 194-I, 194J, 194K, 194LA, 194LBA, 194LBB, 194LBC, 194N, 194-O, 194P, 194Q, 194R, 194S, 197A, 206AA, 206AB and rule 31A]”, the following brackets, words, figures and letters, shall be substituted, namely:—

“[See sections 192A, 193, 194, 194A, 194B, 194BA, 194BB, 194C, 194D, 194DA, 194EE, 194F, 194G, 194H, 194-I, 194J, 194K, 194LA, 194LBA, 194LBB, 194LBC, 194N, 194-O, 194P, 194Q, 194R, 194S, 197A, 206AA, 206AB and rule 31A]”;

(ii) for the “Annexure”, the following “Annexure” shall be substituted, namely:—

“ANNEXURE: DEDUCTEE/PAYEE WISE BREAK UP OF TDS

(Please use separate Annexure for each line-item in Table at Sl. No. 4 of main Form 26Q)

Details of amount paid/credited during the quarter ended... (dd/mm/yyyy) and of tax deducted at source

<i>BSR Code of branch/Receipt Number of Form No. 24G</i>	
<i>Date on which challan deposited/Transfer voucher date (dd/mm/yyyy)</i>	
<i>Challan Serial Number / DDO Serial No. of Form No. 24G</i>	
<i>Amount as per Challan</i>	
<i>Total tax to be allocated among deductees/payees as in the vertical total of Col. 421</i>	
<i>Total interest to be allocated among the deductees/payees mentioned below</i>	

<i>Name of the Deductor/Payer</i>	
<i>TAN</i>	

Verification

I,....., hereby certify that all the particulars furnished above are correct and complete.

Place:

Signature of the person responsible for deducting tax at source

Date:

Name and designation of the person responsible for deducting tax at source

Notes:

1. Write "A" if "lower deduction" or "no deduction" is on account of a certificate under section 197.
2. Write "B" if no deduction is on account of declaration under section 197A other than the cases mentioned in sub-section (1F) of section 197A.
3. Write "C" if deduction is on higher rate under section 206AA on account of non-furnishing of PAN.
4. Write "D" if no deduction or lower deduction is on account of payment made to a person or class of person on account of notification issued under sub-section (5) of section 194A.
5. Write "E" if no deduction is on account of payment being made to a person referred to in Board Circular No. 3 of 2002 dated 28th June 2002 or Board Circular No. 11 of 2002 dated 22nd November 2002 or Board Circular No. 18/2017 dated 29th May 2017
6. Write "Y" if no deduction is on account of payment below threshold limit specified in the Income-tax Act, 1961.
7. Write "T" if no deduction is on account of deductee/payee being transporter. PAN of deductee/payee is mandatory [section 194C(6)].
8. Write "Z" if no deduction or lower deduction is on account of payment being notified under section 197A(1F).
9. Write "M" if no deduction or lower deduction is on account of notification issued under second proviso to section 194N.
10. Write "N" if no deduction or lower deduction is on account of payment made to a person referred to in the fourth proviso to section 194 N or on account of notification issued under fifth proviso to section 194N.
11. Write "O" if no deduction is as per the provisions of sub-section (2A) of section 194LBA.
12. Write "P" if no deduction is on account of payment of dividend made to a business trust referred to in clause (d) of second proviso to section 194 or in view of any notification issued under clause (e) of the second proviso to section 194.
13. Write "Q" if no deduction in view of payment made to an entity referred to in clause (x) of sub-section (3) of section 194A.
14. Write "S" if no deduction is in view of the provisions of sub-section (5) of section 194Q.
15. Write "U" if the deduction is on higher rate in view of section 206AB for non-filing of return of income.
16. List of section codes is as under:

<i>Section</i>	<i>Nature of Payment</i>	<i>Section Code</i>
192A	<i>Payment of accumulated balance due to an employee</i>	192A
193	<i>Interest on securities</i>	193
194	<i>Dividend</i>	194
194A	<i>Interest other than interest on securities</i>	94A
194B	<i>Winnings from lottery or crossword puzzle, etc</i>	94B
Proviso to section 194B	<i>Winnings from lottery or crossword puzzle, etc where consideration is made in kind or cash is not sufficient to meet the tax liability and tax has been paid before such winnings are released</i>	94B-P
194BA	<i>Winnings from online games</i>	94BA
Sub-section (2) of section 194BA	<i>Net Winnings from online games where the net winnings are made in kind or cash is not sufficient to meet the tax liability and tax has been paid before such net winnings are released</i>	94BA-P
194BB	<i>Winnings from horse race</i>	4BB
194C	<i>Payment of contractors and sub-contractors</i>	94C
194D	<i>Insurance Commission</i>	94D
194DA	<i>Payment in respect of life insurance policy</i>	4DA
194EE	<i>Payments in respect of deposits under National Savings Schemes</i>	4EE
194F	<i>Payments on account of repurchase of Units by Mutual Funds or UTIs</i>	94F
194G	<i>Commission, prize etc., on sale of lottery tickets</i>	94G
194H	<i>Commission or Brokerage</i>	94H
194-I(a)	<i>Rent</i>	4-IA
194-I (b)	<i>Rent</i>	4-IB
194J(a)	<i>Fees for Technical Services (not being professional service), royalty for sale, distribution or exhibition of cinematographic films and call center (@2%)</i>	94J-A
194J(b)	<i>Fee for professional service or royalty etc (@10%)</i>	94J-B
194K	<i>Income in respect of units</i>	94K
194LA	<i>Payment of Compensation on acquisition of certain immovable property</i>	4LA
194LBA(a)	<i>Certain income in the form of interest from units of a business trust to a resident unit holder</i>	4BA1
194LBA(b)	<i>Certain income in the form of dividend from units of a business trust to a resident unit holder</i>	4BA2
194LB	<i>Income in respect of units of investment fund</i>	LBB

194LBC	<i>Income in respect of investment in securitization trust</i>	<i>LBC</i>
194N	<i>Payment of certain amounts in cash other than cases covered by first proviso or third proviso</i>	<i>94N</i>
194N First Proviso	<i>Payment of certain amounts in cash to non-filers except in case of co-operative societies</i>	<i>94N-F</i>
194N Third Proviso	<i>Payment of certain amounts in cash to co-operative societies not covered by first proviso</i>	<i>94N-C</i>
194N First Proviso read with Third Proviso	<i>Payment of certain amount in cash to non-filers being co-operative societies</i>	<i>94N-FT</i>
194-O	<i>Payment of certain sums by e-commerce operator to e-commerce participant</i>	<i>94O</i>
194Q	<i>Payment of certain sums for purchase of goods</i>	<i>94Q</i>
194R	<i>Benefits or perquisites of business or profession</i>	<i>94R</i>
First Proviso to sub-section (1) of section 194R	<i>Benefits or perquisites of business or profession where such benefit is provided in kind or where part in cash is not sufficient to meet tax liability and tax required to be deducted is paid before such benefit is released</i>	<i>94R-P</i>
194S	<i>Payment of consideration for transfer of virtual digital asset by persons other than specified persons</i>	<i>94S</i>
Proviso to sub-section (1) of section 194S	<i>Payment for transfer of virtual digital asset where payment is in kind or in exchange of another virtual digital asset and tax required to be deducted is paid before such payment is released</i>	<i>94S-P";</i>

(d) in Form 27Q, with effect from 1st July, 2023, –

(i) for the brackets, words, figures and letters “[See section 194E, 194LB, 194LBA, 194LBB, 194LBC, 194LC, 194N, 195, 196A, 196B, 196C, 196D, 197A, 206AA, 206AB and rule 31A]”, the following brackets, words, figures and letters shall be substituted, namely: –

“See section 194B, 194BA, 194BB, 194E, 194LB, 194LBA, 194LBB, 194LBC, 194LC, 194N, 195, 196A, 196B, 196C, 196D, 197A, 206AA, 206AB and rule 31A”

(ii) in serial number 4, in the table, in column No. 4, for the words “Education Cess”, the words, “Health and Education Cess” shall be substituted;

(iii) for “Annexure”, the following “Annexure” shall be substituted, namely:—

“ANNEXURE: DEDUCTEE WISE BREAK UP OF TDS

(Please use separate Annexure for each line item in Table at Sl. No. 04 of main Form 27Q)

Details of amount paid/credited during the quarter ended (dd/mm/yyyy) and of tax deducted at source

BSR Code of branch/Receipt Number of Form No. 24G	
Date on which challan deposited/Transfer voucher date (dd/mm/yyyy)	
Challan Serial Number/DDO Serial No. of Form No. 24G	
Amount as per Challan	
Total TDS to be allocated among deductees as in the vertical total of Col. 726	
Total interest to be allocated among the deductees mentioned below	

Verification

I, _____, hereby certify that all the particulars furnished above are correct and complete.

Place:

Signature of the person responsible for deducting tax at source

Date:

Name and designation of the person responsible for deducting tax at source

Notes:

1. Write "A" if "lower deduction" or "no deduction" is on account of a certificate under section 197.
2. Write "C" if grossing up has been done.
3. Write "D" if deduction is on higher rate under section 206AA on account of non-furnishing of Permanent Account Number or Aadhaar Number or non-linking of PAN with Aadhaar.
4. Write "E" if no deduction is in view of sub-section (2A) of section 194LBA.
5. Write "M" if no deduction or lower deduction is on account of notification issued under second proviso to section 194N.
6. Write "N" if no deduction or lower deduction is on account of payment made to a person referred to in the fourth proviso to section 194N or on account of notification issued under the fifth proviso to section 194N.
7. Write "O" if no deduction is in view of clause (a) or (b) of sub-section (1D) of section 197A.
8. Write "H" if no deduction is in view of proviso to sub-section (1A) of section 196D in respect of an income paid to a specified fund which is exempt under clause (4D) of section 10.
9. Write "I" if no deduction is in view of sub-section (2) of section 196D in respect of income of the nature of capital gains on transfer of securities referred to in section 115AD paid or payable to a Foreign Institutional Investor.
10. Write "J" if deduction is at higher rate in view of section 206AB for non-filing of return of income by the non-resident having a permanent establishment in India.

11. List of deductee codes

Sr No.	Deductee Code	Description
1	01	<i>Company, other than domestic company</i>
2	02	<i>Individual</i>
3	03	<i>Hindu Undivided Family</i>
4	04	<i>Association of Persons (AOP) except in case of AOP consisting of only companies as its members</i>
5	05	<i>Association of Persons (AOP) consisting of only companies as its members</i>
6	06	<i>Co-operative Society</i>
7	07	<i>Firm</i>
8	08	<i>Body of individuals</i>
9	09	<i>Artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act 1961</i>
10	10	<i>Others</i>

12. In case of deductees covered under rule 37BC, Permanent Account Number or Aadhaar Number NOT AVAILABLE should be mentioned.

13. List of section codes is as under:

Section	Nature of Payment	Section Code
192A	<i>Payment of accumulated balance due to an employee</i>	192A
194B	<i>Winnings from lottery or crossword puzzle, etc</i>	94B
Proviso to section 194B	<i>Winnings from lottery or crossword puzzle, etc where consideration is made in kind or cash is not sufficient to meet the tax liability and tax has been paid before such winnings are released</i>	94B-P
194BA	<i>Winnings from online games</i>	94BA
Sub-section (2) of section 194BA	<i>Net Winnings from online games where the net winnings are made in kind or cash is not sufficient to meet the tax liability and tax has been paid before such net winnings are released</i>	94BA-P
194BB	<i>Winnings from horse race</i>	4BB
194E	<i>Payments to non-resident Sportsmen/Sport Associations</i>	94E

194LB	<i>Income by way of interest from infrastructure debt fund</i>	4LB
194LBA(a)	<i>income referred to in section 10(23FC)(a) from units of a business trust.</i>	LBA1
194LBA(b)	<i>Income referred to in section 10(23FC)(b) from units of a business trust</i>	LBA2
194LBA(c)	<i>Income referred to in section 10(23FCA) from units of a business trust</i>	LBA3
194LBB	<i>Income in respect of units of investment fund</i>	LBB
194LBC	<i>Income in respect of investment in securitisation trust</i>	LBC
194LC (2)(i) and (ia)	<i>Income under clause (i) and (ia) of sub-section (2) of section 194LC</i>	4LC1
194LC (2)(ib)	<i>Income under clause (ib) of sub-section (2) of section 194LC</i>	4LC2
194LC (2)(ic)	<i>Income under clause (ic) of sub-section (2) of section 194LC</i>	4LC3
194LD	<i>Income by way of interest on certain bonds and Government securities.</i>	4LD
194N	<i>Payment of certain amounts in cash other than cases covered by first proviso or third proviso</i>	94N
194N First Proviso	<i>Payment of certain amount in cash to non-filers except in case of co-operative societies</i>	4N-F
194N Third Proviso	<i>Payment of certain amounts in cash to co-operative societies not covered by first proviso</i>	4N-C
194N First Proviso read with Third Proviso	<i>Payment of certain amount in cash to non-filers being co-operative societies</i>	4N-FT
195	<i>Other sums payable to a non-resident</i>	195
196A	<i>Income in respect of units of Non-Residents</i>	96A
196B	<i>Payments in respect of Units to an Offshore Fund</i>	96B
196C	<i>Income from Foreign Currency Bonds or shares of Indian Company payable to Non-Resident</i>	96C
196D(1)	<i>Income of foreign institutional investors from securities under sub-section (1)</i>	96D
196D(1A)	<i>Income of specified fund from securities referred to in clause (a) of sub-section (1) of section 115AD (other than interest income referred to in section 194LD)</i>	96DA"

(e) in Form 27EQ, with effect from 1st July, 2023, –

(i) in serial number 4, in the table, in column No. 4, for the words “Education Cess”, the words, “Health and Education Cess” shall be substituted;

(ii) for “Annexure” the following “Annexure” shall be substituted, namely:—

“ANNEXURE -: PARTY WISE BREAK UP OF TCS

(Please use separate Annexure for each-line item in Table at Sl. No. 04 of main Form 27EQ)

Details of amount received/debited during the quarter ended (dd/mm/yyyy) and of tax collected at source

<i>BSR Code of branch/Receipt Number of Form No. 24G</i>	
<i>Date on which challan deposited/Transfer voucher date (dd/mm/yyyy)</i>	
<i>Challan Serial Number/DDO Serial No. of Form No. 24G</i>	
<i>Amount as per Challan</i>	
<i>Total TCS to be allocated among collectees as in the vertical total of Col. 677</i>	
<i>Total interest to be allocated among the collectees mentioned below</i>	

<i>Name of the Collector</i>	
TAN	

Total tax deposited	Date of collection (dd/ mm/ yyyy)	Rate at which collected	Reason for non- collection/ lower collection/ or collection at higher rate (See Note 1 to 9)	Number of the certificate u/s 206C issued by the Assessing Officer for lower collection of tax	Whether the payment by collectee is liable to TDS as per clause (i) of the fifth proviso to sub-section (1G) or second proviso to sub-section (1H) and whether TDS has been deducted from such payment (if either "F" or "G" is selected in 680)	If, answer to [681A] is yes, then	
						Challan number	Date of payment of TDS to Central Government
[677]	[678]	[679]	[680]	[681]	[681A]	[681B]	[681C]

Verification

I, _____, hereby certify that all the particulars furnished above are correct and complete.

Place: Signature of the person responsible for collecting tax at source

Date: Name and designation of the person responsible for collecting tax at source

Notes:

1. Write "A" if "lower collection" is on account of a certificate under sub-section (9) of section 206C.
2. Write "B" if "non-collection" is on account of furnishing of declaration under sub-section (1A) of section 206C.
3. Write "C" if collection is at higher rate under section 206CC on account of non-furnishing of PAN/Aadhaar by the collectee
4. Write "D" if no collection is on account of the first proviso to sub-section (1G) of section 206C.
5. Write "E" if no collection is on account of the fourth proviso to sub-section (1G) of section 206C.
6. Write "F" if no collection is on account clause (i) or clause (ii) of the fifth proviso to sub-section (1G) or in view of notification issued under the clause (ii).
7. Write "G" if no collection is on account of the second proviso to sub-section (1H) of section 206C.
8. Write "H" if no collection is on account of sub-clause (A) or sub-clause (B) or sub-clause (C), or in view of notification issued under sub-clause (C), of clause (a) of the Explanation to sub-section (1H) of section 206C.
9. Write "I" if collection is at a higher rate in view of section 206CCA.
10. List of Collectee Codes

Sl No.	Party Code	Description
1	01	Company
2	02	Individual
3	03	Hindu Undivided Family
4	04	Association of Persons (AOP) except in case of AOP consisting of only companies as its members
5	05	Association of Persons (AOP) consisting of only companies as its members
6	06	Co-operative Society
7	07	Firm
8	08	Body of individuals
9	09	Artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act 1961
10	10	Others

11. Write collection code as mentioned below:

Section	Nature of collection	Collection Code
206C	Collection at source from alcoholic liquor for human consumption	6C A
206C	Collection at source from timber obtained under forest lease	6C B
206C	Collection at source from timber obtained by any mode other than a forest lease	6C C
206C	Collection at source from any other forest produce (not being tendu leaves)	6C D
206C	Collection at source from scrap	6C E
206C	Collection at source from contractors or licensee or lease relating to parking lots	6C F
206C	Collection at source from contractors or licensee or lease relating to toll plaza	6C G
206C	Collection at source from contractors or licensee or lease relating to mine or quarry	6C H
206C	Collection at source from tendu leaves	6C I
206C	Collection at source on sale of minerals, being coal or lignite or iron ore	6C J
206C	Collection at source on cash sale of bullion and jewellery	6C K
206C	Collection at source on sale of motor vehicle	6C L
206C	Collection at source for purchase of overseas tour program package	6C O
206C	Collection at source on remittance under LRS from educational loan taken from financial institution mentioned in section 80E	6C P
206C	Collection at source on remittance under LRS except for the purposes of education or medical treatment	6C Q
206C	Collection at source on remittance under LRS is for the purposes of education or medical treatment and not covered under Code P	6C T
206C	Collection at source on sale of goods	6C R ^o .

[Notification No. 28/2023 / F.No. 370142/12/2023-TPL]

MRINALINI KAUR SAPRA, Director

Note. – The principal rules were published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii) vide notification number S.O. 969 (E), dated the 26th March, 1962 and was last amended vide notification number G.S.R. 227(E) dated 28.3.2023.